

Borough of Keansburg



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Code-Construction
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Date: November 28, 2012

To: Property Owners, Contractors and Design Professionals

From: Edward P. Striedl, CFM
Construction Official

Re: Notice for Work on existing buildings in Special Flood Hazard Areas
Substantial Damage / Substantial Improvement Requirements

The Borough of Keansburg floodplain management regulations and code require that all new buildings to be constructed in a Special Flood Hazard Area are required to have their lowest floors elevated to or above the base flood elevation (BFE). The regulations also specify that substantial improvement of existing buildings (remodeling, rehabilitation, improvement or addition) or buildings that have sustained substantial damage must be brought into compliance with the requirements for new construction. Please note that a building may be substantially damaged by any cause, including fire, flood, wind, seismic activity, land movement or neglect. It is important to note that all costs to repair a substantially damaged building to its pre-damaged condition must be identified.

The most significant compliance requirement is that the lowest floor, as defined by the regulations must be elevated to one foot above the BFE. The regulations define these terms:

1. Substantial damage means damage of any origin sustained by a structure whereby the costs of restoring the structure to its before damaged condition would equal or exceed 50% of the market value of the structure before the damage occurred.
2. Substantial improvement means any reconstruction, rehabilitation, addition or other improvement of a structure, the cost of which exceeds 50 percent of the market value of the structure before the start of construction or improvement. This term includes structures that have incurred "substantial damage", regardless of the actual repair work performed. The term does not however include:
 - a. Any project for improvement of a structure to correct existing violations of State or Local health, sanitary or safety code specifications that have been identified by the local code enforcement official prior to the event that caused the damage and that are necessary to assure safe living conditions.
 - b. To make the substantial improvement determination or the substantial damage determination, we compare the costs of the proposed improvements or repairs to the market value of the building. Land costs, landscaping or accessory structure costs are not included. If the resulting ratio equals or exceeds 50 percent the existing building must be brought into compliance with the floodplain management requirements for new buildings.

Please note:

1. You must provide an estimate of the cost to perform the proposed improvements or repairs.
2. The cost estimate must include all work required to repair the building to its pre-damaged condition.
3. The cost estimate must include all labor and materials.
 - a. If the work is done by a contractor the contractor's overhead and profit must be included.
 - b. **If the work is done by the owner or volunteers, market rates must be used to estimate the cost of materials and the value of labor.**
4. Attached is a list of costs that must be included and those that are excluded.
5. After reviewing the estimate further clarification may be needed, please try to be as detailed as possible so as to not delay your permit process.
6. If you have any questions regarding this information please call 732-787-0215 extension 220.

Attachments:

1. Requirements for applications for permits for Substantial Improvements and/or repair of Substantial Damage.
2. Costs for Substantial Improvements and Substantial Damage.
3. Owners Affidavit
4. Contractor's Affidavit

Requirements for applications for permits for Substantial Improvements and/or repair of Substantial Damage.

1. Please call 732-787-0215 extension 220 if you have questions about the Requirements for applications for permits for Substantial Improvements and/or repair of Substantial Damage. Your building may have to be brought into compliance with the floodplain management requirements for new construction.
2. Applications for permits to work on existing buildings that are located in the Special Flood Hazard Areas must include the following:
 - a. Current photographs of the exterior (all sides).
 - b. If the building has been damaged, include photographs of the interior and exterior; provide pre-damaged photographs of the exterior if possible.
 - c. Provide a DETAILED description of the proposed improvement, rehabilitation, remodeling, addition or repair.
 - d. Submit a detailed cost estimate of the proposed improvement or the cost estimate to repair the damaged building to its before damaged condition.
 - e. Submit a copy of your insurance claim estimate.
 - f. Submit an elevation certificate if possible, this will be required prior to the issuance of a permit to repair of any Requirements for applications for permits for Substantial Improvements and/or repair of Substantial Damage.
 - g. Owner's affidavit signed, notarized and dated.
 - h. Contractor's affidavit signed, notarized and dated.

Owner's Affidavit: Substantial Improvement or Repair of Substantial Damage

Property Address:

Parcel ID Number:

Owner's Name:

Owner's Address

Owner's Phone:

Contractor:

Contractor's License number:

Date of Contractor's Estimate:

I hereby attest that the description included in the permit application of the work on the existing building that is located at the property identified above is all of the work that will be done, including all improvements, rehabilitation, remodeling, repairs, additions, and any other form of improvement. I further attest that I requested the above identified contractor to prepare a cost estimate for all of the work, including the contractor's overhead and profit. I acknowledge that if, during the course of construction, I decide to add more work or to modify the work described, that the Borough of Keansburg will re-evaluate its comparison of the cost of the work to the market value of the building to determine if the work is a substantial improvement. Such re-evaluation may require revision of the permit and may subject the property to additional requirements.

I also understand that I am subject to enforcement action and / or fines if inspection of the property reveals that I have authorized repairs or improvements that were not included in the description of work and cost estimate for that work that were the basis for issuance of a permit.

Owner's signature:

Date:

Notarized:

Contractor's Affidavit: Substantial Improvement or Repair of Substantial Damage

Property Address:

Parcel ID Number:

Owner's Name:

Owner's Address

Owner's Phone:

Contractor:

Contractor's License number:

Date of Contractor's Estimate:

I hereby attest that I have personally inspected the building located at the above-referenced address and discussed the nature and extent of the work requested by the owner, including all improvements, rehabilitation, remodeling, repairs, additions, and any other form of improvement.

At the request of the owner, I have prepared a cost estimate for all of the improvement work requested by the owner and the cost estimate includes, at a minimum, the cost elements identified by the Borough of Keansburg that are appropriate for the nature of work. If the work is repair of damage, I have prepared a cost estimate to repair the building to its pre-damaged condition. I understand that if, during the course of construction, the owner requests more work or modification of the work described in the application, that a revised cost estimate must be provided to the Borough of Keansburg, which will re-evaluate its comparison of the cost work to the market value of the building to determine if the work is a substantial improvement. Such re-evaluation may require revision of the permit and may subject the property to additional requirements.

I also understand that I am subject to enforcement action and / or fines if inspection of the property reveals that I have made or authorized repairs or improvements that were not included in the description of work and cost estimate for that work that were the basis for issuance of a permit.

Contractor's signature:

Date:

Notarized:

**Costs to be INCLUDED in applications for Substantial Improvements and / or repairs of Substantial
Damage**

Items that must be included in the costs of improvement or costs to repair are those that are directly associated with the building. The following list of costs that must be included is not intended to be exhaustive, but characterizes the types of costs that must be included:

1. Materials and labor, including the estimated value of donated or discounted materials and owner or volunteer labor.
2. Site preparation related to the improvement or repair (foundation excavation, filling in of basements).
3. Demolition and construction debris disposal.
4. Labor and other costs associated with demolishing, moving, or altering building components to accommodate improvements, additions, and making repairs.
5. Costs associated with complying with any other regulation or code requirement that is triggered by the work, including costs to comply with the requirements of the Americans with Disabilities Act (ADA).
6. Costs associated with elevating a structure that is lower than the BFE.
7. Construction Management and supervision.
8. Contractor's overhead and profit.
9. Sales tax on materials.
10. Structural elements and exterior finishes including:
 - a. Foundations (spread or continuous foundation footings, perimeter walls, chainwalls, pilings, columns, posts, etc)
 - b. Monolithic or other types of concrete slabs.
 - c. Bearing walls, tie beams, trusses.
 - d. Joists, beams, subflooring, framing, ceilings.
 - e. Interior non-bearing walls.
 - f. Exterior finishes (brick, stucco, siding, painting and trim.
 - g. Windows and exterior doors.
 - h. Roofing, gutters, downspouts.
 - i. Hardware.
 - j. Attached decks and porches.
11. Interior finish elements, including:
 - a. Floor finishes (hardwood, ceramic, vinyl, linoleum, stone and wall to wall carpet over subflooring)
 - b. Bathroom tiling and fixtures.
 - c. Wall finishes (drywall, paint, stucco, plaster, paneling and marble.
 - d. Built-in cabinets (kitchen, utility, entertainment, storage and bathroom.
 - e. Interior doors.
 - f. Interior finish carpentry.
 - g. Built-in bookcases and furniture.
 - h. Hardware.
 - i. Insulation.
12. Utility and Service equipment, including:
 - a. HVAC equipment.
 - b. Plumbing fixtures and piping.
 - c. Electrical wiring, outlets and switches.
 - d. Light fixtures and ceiling fans.
 - e. Security systems.
 - f. Built-in appliances, central vacuum systems
 - g. Water filtration, conditioning and re-circulation systems.

Costs that may be EXCLUDED in applications for Substantial Improvements and / or repairs of Substantial Damage

1. Clean-up and trash removal
2. Cost to temporarily stabilize a building so that it is safe to enter to evaluate and identify required repairs.
3. Costs to obtain or prepare plans and specifications.
4. Land survey costs.
5. Permit fees and inspection fees.
6. Carpeting and re-carpeting installed over finished flooring such as wood or tiling.
7. Outside improvements, including landscaping, irrigation, sidewalks, driveways, fences, yard lights, swimming pools, pool enclosures, and detached accessory structures (garages, sheds and gazebos).
8. Costs required for the minimum necessary work to correct existing violations of health, safety and sanitary codes that had been cited prior to the event that caused the damage.
9. Plug-in appliances such as washing machines, dryers and stoves.